

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2001-006

September 25, 2001

MAINE PUBLIC SERVICE COMPANY
Request for Approval of a Agreement/
Contract with E.J. Carrier Portage, LLC
(Power Purchase Agreement)

ORDER APPROVING
CONTRACT

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

SUMMARY OF DECISION

By this Order, the Commission approves Maine Public Service Company's (MPS's or the Company's) proposed Customer Service Agreement (CSA) with E.J. Carrier Portage, LLC (Carrier).

DISCUSSION AND DECISION

On January 5, 2001, CMP filed with this Commission a proposed CSA with Carrier. Under the Agreement, Carrier has fixed T&D rates. However, these T&D rates are reduced if necessary to keep Carrier's bundled price from going above caps included in the CSA. This provision does not allow the T&D rates to go below zero but allows either party to terminate – with six months prior notice -- if after reducing the T&D rate to zero, the price is still above the caps.

In its filing, MPS did not provide any material in support of the reasonableness of the CSA. However, MPS has indicated in telephone conversations with the Commission Staff that it is willing to have shareholders absorb any revenue losses associated with this agreement. In other words, for purposes of ratemaking, the revenue from this customer will be calculated using the regular retail rates. With that understanding, we find that there is no significant risk to MPS's other customers as a result of this agreement and we will, therefore, allow the CSA to go into effect.

Accordingly, we

ORDER

That the Customer Service Agreement with E.J. Carrier Portage, LLC is hereby approved and may become effective as of October 1, 2001. For ratemaking purposes, however, this customer's revenue will be determined using the regular retail rate.

Dated at Augusta, Maine, this 25th day of September, 2001.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: WELCH
NUGENT
DIAMOND

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.